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July 3, 1973

MEMORANDUM FOR:

DOLF BRIDGEWATER

FROM:

RICHARD T. KENNEDY / 5 /

SUBJECT:

DCI's Objectives for the Intelligence Community.

Attached are some informal comments concerning the DCI's objectives for the Intelligence Community.

I suggest that, whereas goals concerning the improvement of products are stated in fairly general terms, there should be a clear program focus in this direction. This would affect collection effort, production and dissemination. The DCI already is making some moves in this direction but it would be well to sharpen the focus of the objectives in a way which would lead to some specific programs to this end within the Agency and the community.

Attachment

OSD and JCS reviews completed

ON-FILE NSC and OMB RELEASE INSTRUCTIONS APPLY

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MEMORANDUM

NATIONAL SECURITY COUNCIL

SECRET

2 July 1973

MEMORANDUM

SUBJECT: DCI's Objectives for the Intelligence Community

Overall these objectives are satisfactory. They are reasonably comprehensive, address most major problems, and set an appropriate pace for the first year of a management by objectives (MBO) program.

The DCI generally proposes efforts in two major areas:

-- He plans to improve the products for National Intelligence Consumers by using the NSCIC and his own staff to evaluate needs and give guidance to producers. These two groups would evaluate products, initiate studies of key topics and call for new products and formats for presenting intelligence. The USIB and DOD would assist.

-- He intends to exert a greater management role, particularly in two contentious areas, budgeting and tactical intelligence. He will also study the role of the personnel system, which is critical in my view in affecting the community's output.

I think the following points should be recognized. A MBO program is principally a means by which an organization can attain a common perception of what its major tasks really are. A good system is marked by:

-- Negotiation between superior and subordinate managers about goals.

-- Goals which cause people to stretch.

-- Periodic reassessment of goals.

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Such programs take several years of management attention to become fully effective. Colby's goals represent a good starting attempt, but will require periodic attention and restatement over several years. Many of his goals will only be partially achieved by the deadlines he specifies. He has indicated to me that he views MBO as a means to signal other elements of the community his views and priorities with respect to a variety of issues.

In two areas of contention with DOD -- the DCI's role in budgeting and his role in tactical intelligence -- Colby has set reasonable goals, and has avoided direct confrontation with DOD by looking to the President to resolve issues. For example:

-- Rather than submit a community budget and thereby face DOD with a strong demand for a personal role in their intelligence funding, he proposes to make personal recommendations to the President. At present he does play a role in some DOD decisions, and, of course, he has a voice in the national programs funded through DOD. Defense has been very resistant to the DCI becoming a major actor in their process. Considering DOD's resistance and the absence of Presidential guidance, Colby's approach is reasonable.

-- Similarly in tactical intelligence he pursues his role with a minimum challenge to DOD's sensitivities. He intends to "ask" (not instruct) DOD to study the issue and to "formulate recommendations" (presumably for the President). DOD's resistance to the DCI taking a larger role in tactical intelligence leads me to believe these goals are also reasonable. However, Colby will have to set goals in the future to maintain the pressure for an increased role in this area.

The President's November, 1971 memorandum included an instruction to prepare "a comprehensive program focused upon improving the intelligence -- product." Colby's goals are largely process oriented, which recognizes the importance of intelligence management in improving the product. Product improvement needs are to be identified in the course of review of consumer needs and product evaluations by the NSCIC or USIB. What are missing are some goals specific to improving political intelligence, investigating new methods of analysis, developing experimental products and testing new methods of presentation. Colby

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may not have addressed these topics because of general refusal by most senior CIA people to recognize problems with current products.

The community has deep rooted problems on which Colby is beginning to work. For example, problems in producing first rate analyses will not be resolved by his goals of identifying user needs and evaluating products. Intelligence has to address hard questions about whether they have the best mix of skilled personnel and organization structure to produce such analyses. Colby proposes to correct the community's lack of procedures to link the consumer with the producer and the producer with the collector, a good move. Yet, to do so will require some major rethinking about the real tasks of intelligence and how to execute them. Colby's goals touch these topics, but much hard work, struggling with the bureaucracy, and further goal setting will be needed.

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THE WHITE HOUSE

WASHINGTON

TO: BRENT SCOWCROFT
FROM: RICHARD T. KENNEDY

Per our telephone conversation. Attached is
the draft objectives for the Intelligence
Community

MEMORANDUM

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NATIONAL SECURITY COUNCIL

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INFORMATION

2 July 1973

MEMORANDUM FOR RICHARD T. KENNEDY

FROM:

A. W. MARSHALL *AWM*

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June 29, 1973

MEMORANDUM FOR:

ANDREW MARSHALL
ATTN: CDR PIRIE

Attached is the draft statement of objectives for the Intelligence Community prepared by Mr. Colby in accordance with OMB's basic directive on this subject.

Please provide any comments or suggestions to me by 1400 Monday, July 2, 1973.

Attachment

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EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

JUN 29 1973

MEMORANDUM FOR COLONEL RICHARD T. KENNEDY

Subject: Intelligence Community Objectives

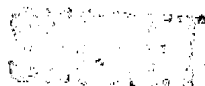
I am forwarding for NSC review a draft of the proposed objectives for the intelligence community. We are scheduled to review these objectives with Colby on July 5 and would therefore appreciate your review and comments by July 1.



B. A. Bridgewater
Associate Director

Attachment

When separated from enclosure, handle
this document as Unclassified
(Designate in Writing)



THE DIRECTOR OF CENTRAL INTELLIGENCE
WASHINGTON, D.C. 20505

MEMORANDUM FOR: The President

SUBJECT: Objectives for the Intelligence Community

REFERENCE: The President's Memorandum of April 18, 1973

Your directive of November 1971 included a list of major objectives that must be attained to increase substantially the efficiency and effectiveness of the intelligence community. I propose to adapt these as the Intelligence Community's objectives and to require that specific steps toward them be taken during the next four to eighteen months.

- A. The responsiveness of the U. S. intelligence effort with respect to national requirements must be subject to continuing review and the quality, scope and timeliness of the community's product must be improved.

To meet these objectives, I plan to do the following regarding the National Intelligence Product:

- through the NSCIC, determine by October 1, 1973 which national intelligence products satisfy user needs and identify new product requirements;
- achieve significant improvements in product formats and production procedures to increase responsiveness by December 1, 1973;
- establish by October 1, 1973 procedures to enable the NSCIC and my own staff to review the responsiveness and quality of the community's product;

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- B. Authoritative and responsible leadership for the community as a whole must be assured.

To meet this community leadership goal, I will:

- complete the restructuring and strengthening of my personal staff by September 1, 1973 to provide me independent support in community matters;
- re-issue community planning guidance by August 1, 1973;
- participate actively in the NSCIC and insure that IRAC and USIB have a dynamic and forceful role in the community;
- review programs to upgrade the quality of intelligence personnel and improve personnel management in the community;
- review the USIB committee structure by October 1, 1973 to increase USIB effectiveness in advising me on national requirements.

- C. A more efficient use of resources by the community in the collection of intelligence information must be achieved. Utilization of the means available must be in consonance with approved requirements of U.S. security and national interests.

To meet this goal I will, with respect to

National Intelligence Program Budget:

- support the President's intelligence budget for FY 1974 before Congress;
- develop for FY'1975 and beyond a national intelligence program budget. This budget will result from the review procedure of the various intelligence entities and the total review and deliberations of the IRAC on the programs therein. The NIPB will be my personal recommendation to the President on the level of national intelligence resources, their utilization and performance.

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- institute a quarterly review by the IRAC of resource utilization by all intelligence entities;
- with the advice of IRAC and the United States Intelligence Board, define and complete, prior to final budgetary decisions on the FY 1975 NIPB, a series of major program issue studies.

Research and Development:

- form an R&D Advisory Council as a subcommittee of IRAC by August 1973;
- review all R&D activities within the NIP to identify by November 1973 ongoing R&D efforts, their costs, their purpose, and who has responsibility for each effort;
- instruct the Council to recommend by January 1, 1974 an overall R&D strategy and structure for IRAC consideration based on a clear perception of intelligence needs which identifies technological gaps and resource deficiencies, eliminates unnecessary duplication of effort, and stresses cross-program technology transference.

D. Assignment of intelligence functions within the community must be reviewed and revised to eliminate inefficient, unnecessary or out-moded activities.

To meet this goal I will, with respect to

Measures of Intelligence Worth:

- undertake specific studies to evaluate the intelligence product and its worth to the consumer and eliminate intelligence collection and product of marginal usefulness;
- undertake selective review during the next 18 months of the following in order to better rationalize the division of labor and increase the number of services of common concern performed within the community;

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- indications and warning intelligence
- ELINT processing and exploitation
- current intelligence reporting
- HUMINT operations
- explore and, where necessary, increase the usefulness of the intelligence product to Net Assessment producers and consumers.

Tactical Intelligence:

- submit a report in the third quarter of FY 1974 on the national/tactical intelligence interface. As a basis for this report I will,
 - ask the Department of Defense and the Joint Chiefs of Staff to review the requirements for intelligence assets in place with the military forces, and identify support which could be provided to the military forces from national assets;
 - determine, with the assistance of program managers, the contribution which can be made to the national intelligence effort by the in-place assets of the military forces, and identify the kinds and amounts of data from national assets which can be provided in a timely and usable form to military force commanders;
 - formulate recommendations by January 1974 to insure that the needs of national intelligence and of military operations are met and to avoid unnecessary overlap or duplication in the national and tactical areas.
- E. The provision of intelligence and its utilization must enhance the formulation of the foreign military and economic policies of the U. S. Government and the planning for and conduct of military operations by U. S. forces.

To meet this goal I will, with respect to

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Consumer Needs:

- implement a procedure with USIB whereby requirements for collection and production of intelligence are kept under continuing review with provision for the introduction of new requirements as needed and for elimination of those which become out-of-date.

Military Intelligence:

- have the Department of Defense identify the ten highest priority needs in the field of technical intelligence required by their planners;
- prepare for NSCIC approval in the third quarter of FY 1974 intelligence production programs in the areas of Soviet and Chinese military R&D and Warsaw Pact general purpose force effectiveness.

Economic Intelligence:

- identify early in FY 1974 the current needs of the users of this intelligence;
- determine, in coordination with other Federal agencies, what contribution the intelligence community can make in this area;
- determine appropriate resource levels and, through the United States Intelligence Board, assign responsibilities for collection and production in this area;
- provide for implementation of this program by January 1974.

Narcotics and Terrorism:

- in coordination with other Federal agencies, identify by October 1974 the needs for intelligence in these areas, and match the unique capabilities of the intelligence community to those needs;

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No Objection to Declassification in Part 2011/06/04 : LOC-HAK-36-1-11-8

- determine by November 1973 the appropriate assignment of responsibilities and the resource levels which the community should devote to these problems.

William E. Colby

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